

stowaway in ship cargo. It eats any animal smaller than itself, and is responsible for the extinction of twelve native bird species on Guam. Up to 13,000 snakes per square mile may occur in some forested areas of Guam. A brown tree snake can enter a home, and its venom is life threatening to infants. In fact, one out of every thousand visits to the emergency room in Guam is due to snakebites. It has caused more than 1,200 electric power outages since 1980, some island-wide and lasting several days. Approximately every third day there is a snake-caused power outage somewhere on Guam. The outages cost Guam an estimated \$1–\$4 million each year. Research and control of brown tree snakes in Guam cost over \$4 million per year.

Now the brown tree snake is poised to invade Hawaii, other Pacific Islands, and even the U.S. mainland. The snake has already reached Hawaii several times as a stowaway on flights from Guam. If the brown tree snake is accidentally introduced, Hawaii will suffer the same fate as Guam. On Guam, you no longer hear the sweet melody of a songbird because they have all been consumed by the brown tree snake. Development of long-term screening measures at airports to prevent this introduction would cost an estimated \$2.5 million annually over several years. While this may seem costly, the potential economic impact caused by the brown tree snake would be devastating in comparison.

Miconia is a large, leafy tree that was introduced to Hawaii in 1959. It was brought intentionally as an ornamental plant; miconia has a beautiful, deep rich purple color on the underside of its leaves. However, despite its benign appearance, it is an aggressive invader of native and disturbed forests, growing into dense stands that block light to smaller native plants. Miconia has also contributed to erosion and landslides because of its shallow root system. It blossoms four times a year, sending out millions of seeds each time, and the seed pods remain viable for up to eight years. Miconia is just one example of a noxious weed that is a major threat to native Hawaiian plants.

All across the country, invasive alien weeds fuel grass and forest fires, accelerate soil erosion, and consume critical water resources. The lost productivity of rangelands due to weeds has been estimated at \$3.6 to \$4.5 billion annually. Over 100 million acres of land are infested with weeds, and the infestation is expanding by 10 million acres per year. On Federal lands alone, the rate of infestation is 4,600 acres per day. Noxious weeds destroy or alter natural habitats, damage waterways and power lines, and depress property values. Some are even toxic.

In Hawaii, Federal, State, and local agencies have joined the universities and local communities to support efforts to prevent the spread of invasive

species. The University of Hawaii, Hawaii's Department of Agriculture and State Department of Land and Natural Resources, the U.S. Geological Survey, and the U.S. Fish and Wildlife Service, as well as smaller, island-specific citizen groups coordinate efforts to research, track and control the coqui. In the case of the miconia, students and volunteers have to hack through a jungle to reach the trees, suffering through mosquito bites and the thorny underbrush. The State employs helicopters to spot plants in places that may have been missed, and volunteers in some cases drop off 100-foot cliffs to destroy these invaders.

Now it is time to do our part in Congress to support these efforts at the Federal level. I have joined 19 of my colleagues in signing a letter circulated by my friend, the senior Senator from Michigan, Mr. LEVIN, in support of funding for the National Invasive Species Act of 1996. This Act provides for ballast water management to prevent the introduction and spread of non-indigenous species into the waters of the United States, provides for a comprehensive program to control the brown tree snake, and provides for invasive aquatic plant management.

In 1999, President Clinton signed Executive Order 13112. The executive order mandates federal agencies to take steps to prevent the introduction and spread of harmful alien species, and coordinate their actions with other federal agencies. The goal of the executive order is to minimize the negative economic, ecological, and human health impacts that invasive species cause.

We must act to turn these goals into reality. Funding for the battle against invasive species crosscuts almost every Federal agency, including the U.S. Department of the Interior, Department of Agriculture, Department of Defense, and Department of Commerce. Each agency has been taking an active role against invasive species. This is a challenge that must be appreciated and fought on all fronts, and the agencies need increased funding in this budget-conscious year. I urge my colleagues to support funding for the effective implementation of Executive Order 13112, the National Invasive Species Act of 1996, and for Federal and State agencies' efforts across the United States in the struggle against invasive and exotic species. Until these efforts are fully funded, we do not stand a chance against these destructive invaders.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CORPORATE GREED

Mr. DORGAN. Mr. President, in recent months I have been conducting hearings in the subcommittee that I chair and the Commerce Committee on the issue of the Enron scandal.

While conducting those hearings, I received a letter from a constituent of mine in North Dakota. That constituent said he had been an employee of the Enron Corporation for a good number of years and had \$330,000 in his 401(k) retirement account, invested in Enron stock. And then, of course, Enron collapsed. Now that \$330,000 is worth \$1,700.

The folks at the top of Enron made a fortune and got away with their fortune, and the company collapsed, the employees lost their shirts, and the investors lost their shirts. It is another case of the big doing very well, and the little losing everything they had.

It reminds me of the verse in a song by Bob Wells and the Texas Playboys from the 1930s: Little guy picks the cotton, the big guy gets the money. The little bee sucks the blossom, the big bee gets the honey.

That is what is going on too often in this country. I am more and more dismayed by what I am reading in the business pages, about the scandals at the top levels of a number of corporations in America. I have been reading especially in recent days about Dennis Kozlowski, CEO of Tyco International. Mr. Kozlowski resigned under criminal indictment for tax evasion, but he has been criticized for some time for the way his company was playing games with his books.

Now, I don't know him. I have never met him. I did not know much about his company until it started making news. But Tyco's problems are another troubling sign about the state of our system of capitalism, the system by which companies accumulate money in a corporate structure, and the system by which people are compensated for their performance.

I will speak about this in a moment. But first let me mention another aspect that troubles me about Tyco's story. Because Tyco is one of those companies that, recently, decided to move its corporate headquarters offshore, to avoid paying their fair share of taxes.

In the middle of a war against terrorism, it is unconscionable for an American corporation to forsake its country and move off-shore—in a so-called "inversion"—to avoid paying taxes. It really raises questions of patriotism, in my judgment. Who do they think should fight this war on terrorism? Who do they think ought to pay for the war against terrorism? Who do they think protects their assets and their company and their business? They want the protection of the U.S. military, but they do not want to pay for it.

Tyco is one of the world's largest manufacturers and services of electrical and electronic components, as

well as undersea telecommunications systems, the largest manufacturer of fire protection, and electronic security services. Mr. Kozlowski resigned because, according to the allegations, he evaded more than \$1 million in sales taxes on works of art that he acquired by Renoir, Monet, and others.

I am very interested in the information that has come to light after Mr. Kozlowski's resignation, criticism of the way he ran the company. He became CEO of Tyco in 1992. He was an accountant by training. In 1997, he moved Tyco headquarters from New Hampshire to Bermuda, as I mentioned. During the late 1990s, the company was in the eyes of many a very successful company.

Tyco grew at an amazing pace, and Mr. Kozlowski made a killing on the sale of company stock and stock options. In fact, over the past 4 years, this fellow made \$325 million in compensation.

Then in 1999, the SEC started to investigate allegations that Tyco was engaged in "questionable" accounting practices. Mr. Kozlowski claimed to have done nothing wrong. He said publicly he was not about to sell off the stock in his company. According to filings with the SEC, however, he sold nearly \$100 million of his stock as compensation in the year 2000 alone.

The Tyco stock started to drop rapidly. Tyco disclosed Mr. Kozlowski repaid \$70 million in loans to Tyco—using company stock. Tyco shares lost \$50 billion in January of this year. Last December, the value of this stock was \$60; last night, \$14.

So it is the little guys, the investors, the folks who put their money in Tyco stock who did not do very well. Mr. Kozlowski got \$325 million in compensation over a 4-year period.

I have been reading about this day after day after day, and it reminded me of the movie, "Wall Street." That movie had an infamous character played by Michael Douglas, named Gordon Gekko. And that character delivered the often quoted words: "Greed is good. Greed is right. Greed works. And greed, mark my words, will save . . . that malfunctioning corporation called the USA."

That movie came out in 1987. By today's standards, Gordon Gekko seems like a Boy Scout.

The average compensation of the 10 highest paid chief executive officers in America, 20 years ago, was \$3.5 million. That was their average compensation. Mr. President, \$3.5 million a year was a pretty good compensation package then, and it would be a pretty good package today. But do you know what it is today? It is \$150 million. The average compensation of the 10 most highly compensated CEOs in the country is \$150 million a year.

Here is a list of some of the compensation paid to CEOs in the year 2000: \$290 million, \$225 million, \$157 million. These are yearly compensation figures.

In the 1980s, when the movie "Wall Street" came out and Gordon Gekko was saying that greed was good, the average pay of a corporation head was about 42 times the pay of the average worker. Today, a CEO's pay is about 531 times greater than that of the average employee working for the corporation.

In one of my hearings on the Enron Corporation we found that Mr. Fastow, who was the CFO of the Enron Corporation, had a little partnership deal that he constructed. Even as an employee of the corporation—highly paid, I might add—he constructed partnerships, that were attached to the corporation, in which he had equity pieces and then got a commission to manage. He put \$25,000 of his own money into one of these partnerships, and 60 days later took out \$4.5 million.

I come from a really small town—300 people—with a very small school—9 in my senior class. But it does not take higher math to understand what cheating is all about. The hearings I have held on the Enron Corporation have described a culture of corruption and cheating and, in my judgment, criminal activities. The hearings I have conducted on Enron with respect to West Coast electricity pricing suggest to me rigging of electricity prices to the tune of billions, perhaps tens of billions, of dollars.

There is something rotten going on inside some of these corporations—not all of them, but some of them. And who stands to lose? The big guys make off with millions and millions of dollars—in most cases tens and hundreds of millions of dollars—and the little people lose their shirt.

If I might show some additional charts that describe this saga. The pay of American corporate executives is not even related to performance anymore. CEO pay was up 7 percent last year. Profits are down 35 percent. What kind of business do you see that in? The worse they do, the more they make? What kind of accountability exists with respect to the stockholders across this country, the moms and pops who have put their money in their retirement accounts in these companies, believing these people are doing a good job?

I mentioned Enron because I have spent a lot of time on that issue. In 1998 the president was Mr. Ken Lay, who claimed not to have the foggiest idea of what was going on inside his company. If ever there was an "Onward through the fog" voice from a CEO, it came from Mr. Lay. But he got \$101 million in compensation for his services, through his sale of Enron stock.

Jeffrey Skilling testified before my subcommittee for about 6 hours. Nobody had the foggiest idea what he said. He apparently served in that corporation as one of its top executives. He heard nothing, saw nothing, participated in nothing, and decided he did not want to be a part of it anymore. It was the most byzantine hearing I ever

held in my life. Here is a guy who claimed to be oblivious to fraud of the largest scale, and walked away from the company with \$70 million in stock.

A couple of weeks ago the CEO of Adelphia, the sixth largest cable company in the country, resigned. We now discover, as a result of the 10-K financial statements that are filed with regulators, that Adelphia had \$2.3 billion in debt, that was hidden off the balance sheet. Most of that was owed to companies that the CEO's family controlled, and that could not be paid back—\$2.3 billion.

Almost all across this country now, workers in corporations—that is, the folks who make corporations function—are discovering that they no longer have defined benefit pension programs. That used to be the bulk of the pension programs. Now it is diminished to less than a fourth.

While the workers in a corporation are discovering the erosion of their pensions, the compensation at the top of these corporations is skyrocketing, in no relationship to how the corporation is doing.

This next chart also shows something interesting, and deeply troubling. The corporations in this country are paying a smaller and smaller percentage of the tax burden in our country. Payroll taxes—which hit the lowest wage earners in the country much harder than the top wage earners in the country—are growing as a portion of our tax burden. And these corporations, as I mentioned, are now increasingly looking to save taxes by renouncing their U.S. citizenship.

I know many corporations are responsible, and would never consider running off to Bermuda to avoid taxes. But some of them are doing so, and shame on them. Where is their sense of patriotism here? We are at war against terrorism, and we have corporations making a decision they don't want to be American anymore, they don't want to have an American identity, because to do so you have to pay taxes and pay a portion of the cost of the burden of government, which includes providing for the common defense and paying the wages and salaries of the men and women and the equipment in our armed services. Shame on people who think like that.

Franklin Roosevelt, in one of his fire-side chats, said:

Not all of us can have the privilege of fighting our enemies in distant parts of the world. Not all of us can have the privilege of working in a munitions factory or a shipyard, or on the farms or in the oil fields or mines, producing the weapons or raw materials that are needed by our Armed Forces. But there is one front and one battle where everyone in the United States—every man, woman and child is in action. . . . That front is right here at home, in our daily lives, and in our daily tasks. Here at home, everyone will have the privilege of making whatever self-denial is necessary, not only to supply our fighting men [and women], but to keep the economic structure of our country fortified and secure. . . .

When I read this and compare it to the stories about American companies

moving their headquarters to a mailbox in Bermuda just to avoid paying taxes, I say shame on them.

I think we have to begin to think, here in the Congress: What do we do about the crisis in corporate governance in an increasing number of American firms? Where will it go?

When the average corporate executive in this country is now making 530 times the average compensation of workers in the corporation, isn't there something wrong here?

We have seen speculative bubbles recently, bubbles that are unhealthy in our economy. Is this not just another unhealthy bubble that is going to break at some point? Will the American people trust corporate governance when we have people at the top who are taking hundreds and hundreds of millions of dollars out themselves and are not worried about the long-term financial solvency of the corporation, but worried only about what their compensation does relative to the stock value in the next quarter? Because their compensation is tied to short-term stock prices, they may have \$50 million, \$100 million, or \$200 million at stake for them personally.

Will the American people trust corporate governance when we see corporate executives such as Mr. Lay, Mr. Skilling, Mr. Fastow, and others cashing out and putting millions and millions into their bank accounts even as they are telling employees, "Hold onto your stock. Tomorrow is going to be a better day. Our future is brighter. Hang onto your stock, don't sell"—even as they are furiously selling off their shares privately in order to enrich themselves?

There are some legislative measures that we ought to consider, in my judgment. I will talk more about them later. Today, I wanted to raise some public questions about the state of corporate governance in our country, and the erosion in confidence in our economic system. And to say that we have some work to do on this issue.

Mr. President, I yield the floor.

LOCAL LAW ENFORCEMENT ACT OF 2001—Continued

The PRESIDING OFFICER (Mr. BAUCUS). The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I inquire as to the pending business.

The PRESIDING OFFICER. The pending business is S. 625.

Mr. SMITH of Oregon. Are we in morning business now?

The PRESIDING OFFICER. The Presiding Officer informs the Senator we are not in morning business. We are on the bill.

Mr. SMITH of Oregon. I thank the Chair and ask I be allowed such time as I may consume.

The PRESIDING OFFICER. The Senator has that right.

Mr. SMITH of Oregon. I thank the Chair.

Mr. President, I rise to speak today on the issue of the Local Law Enforce-

ment Act of 2001. It is the hate crimes bill that we are now taking up. It is a bill I am pleased to coauthor with Senator KENNEDY from Massachusetts. It is a bill that is appropriately taken up now.

I know some of my colleagues, partisans on my side of the aisle, may say that we should not take up something like this at a time of war, a war on terrorism. But I searched my memory. Whenever America has been at war before, we have not abandoned domestic issues. Immediately following Pearl Harbor, we dealt with all kinds of things, from tax rates to civil rights, and the war proceeded. It is not inappropriate that in a time of war on terrorism we focus on domestic terrorism.

The President gave a great speech last night. He talked about how we can better create, for our Nation's protection, a more seamless way to provide for the common defense. I look forward to supporting him in that. But I say that hate crimes legislation is part and parcel of that same effort. It is a part of our war on terrorism. It is a part of the discharge of our responsibility to take care of our citizens.

I have always believed government's first duty is to provide security against violence to its citizens. We are doing that abroad, and we are doing it perhaps as never before at home. But I think it is very appropriate that for a day or 2 the Senate turn its attention to this law, which was created, in its initial form, more than 30 years ago.

Hate crimes legislation is not a new concept. Hate crimes legislation, as I understand its history, was created to give the Federal Government the ability to enforce civil rights, in Southern States in particular, where lynching laws were not enforced and where much violence was committed against our African American brothers and sisters.

It gave the Federal Government the right, the ability, to show up to work, to provide for the common defense. And that law, which covers race, religion, and national origin, is in effect. It has been fully vetted in the United States Supreme Court. It is constitutional. And it truly, as the Court has held, simply adds an element, as we do to all crimes, as to how you consider them, what penalties you apply, and what prosecution and vigor you employ.

It is entirely appropriate that we now add to this list of race, religion, and national origin, other identified minority groups in this country who, because of their status, are demonstrably more vulnerable to violence, to crime.

I have made, for more than a year, the practice of entering in the CONGRESSIONAL RECORD a tragic chronology, a catalog of hate crimes committed throughout our country.

On these charts I have in the Chamber—perhaps you cannot read them because of the small print—but each of them represents a day in which I have identified a hate crime that has been

committed in our country. They are committed against African Americans. They are committed against the disabled. They are committed against women. And they are committed against gays and lesbians.

All of these crimes have one thing in common: they are committed against a minority community, and they have, at their heart, a malignant heart that hates. And that is the impelling force for committing violence against a minority person. And the crime is visited on a minority, on that American, because that is the common thread in all of this. They are committed against American citizens.

The common thread in this crime against Americans is that it is visited upon an individual, but it terrorizes an entire minority community. And we have said, since hate crimes were established back in the 1960s, there are just some things that are so heinous, so at odds with America's best values, that we are just going to say, as a matter of law, this is a new category of crime, and we are going to pursue it, and we are going to allow all branches of government, all levels of government—local, State, and now Federal—to participate in the pursuit and the prosecution of those who would commit these kinds of terrorist activities against a whole community. And that is what we are doing.

Today, I am going to add another one to this sad chronology. It occurred in Honolulu, HI, in May of last year—a year ago. Two teens were charged with attempted murder after allegedly dousing the tents of gay campers with flammable liquid while those campers were inside, setting one on fire in Polihale State Park.

Victims in the attack said the perpetrators threw rocks and shouted slurs relating to the sexual orientation of the victims prior to setting the tent on fire. Two men were sentenced, then, to 5 years each in prison.

We all know of the heinous murder committed on James Byrd, who was dragged to death on a lonely, dusty Texas road. That shocked America. But in the case of Mr. Byrd, the Federal Government showed up to work because the Federal hate crimes law applies to issues of race. And the law enforcement folks in Texas will tell you that the Federal Government was very helpful in the pursuit, the prosecution, and the conviction of the murderers of James Byrd.

I think in that same year all of us felt horrified by the murder of Matthew Shepard in Wyoming. But in that case, because sexual orientation was not an allowed category under Federal law, the Federal Government was prohibited from showing up for work.

I wish all Americans could have been with me in my office when I was visited by Wyoming State Troopers—Republicans—advocating to me please support this because they were overwhelmed with the national focus that this case brought. They really could